

Ranking of J8 GARS performance vs. the 20 largest CTAs

Author: Dr. Tillmann Sachs, CIO and Head of Research, J8 Capital Management LLP. November 2020.

In our continuous quest towards excellence, we carried out a thorough competitor analysis. The results demonstrate that we continue to progress on the path to become a top performing CTA.

The J8 Global Absolute Return Strategy (J8 GARS) trades commodity, currency, and government bond futures only (no equities!). As a systematic program, J8 GARS utilizes trend-following, carry, term-structure arbitrage, and inventory basis signals in a risk-weighted diversified portfolio to systematically generate returns which are managed to a target volatility. Enhancing the tactical risk-premia signals to traditional CTA beta trend-following signals stabilizes our returns, reduces drawdown severity and shortens recovery periods. As such, J8 GARS invests to preserve capital and diversify alternative and traditional portfolios.

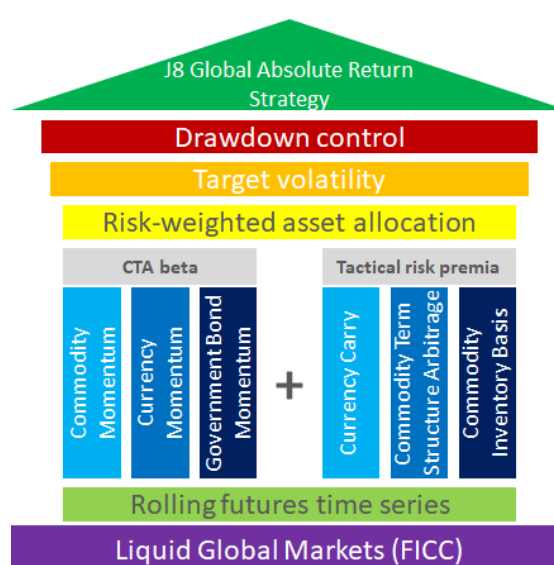


Figure 1: Illustration of the J8 Global Absolute Return Strategy (J8 GARS)

The J8 team constantly conducts research on return drivers and markets to further develop and improve the signal engine. For example, as of 1st October 2020, we commenced trading select liquid emerging market currency futures, further diversifying the currency complex.

Investors appreciate transparency and ease of access. J8 GARS's absolute minimum is \$3million. The program may be accessed through a separate managed account (SMA), with the availability of notional funding if required. Most larger such programs have much higher minimums or come in a fully funded fund format or may have capacity constraints that drag performance. The J8 GARS offers an attractive alternative.

Below we demonstrate how the J8 Global Absolute Return Strategy (J8 GARS) compares to the performance of the largest CTAs. In this analysis, we present the historic returns as realized in our live trading to date (J8 GARS Historical Returns, dark blue, circle). Additionally, we show how the current state of the strategy would have performed if we had implemented it from the start by extrapolating

hypothetical returns (J8 GARS Current Model, light blue, square). For the avoidance of doubt, we are only trading the model depicted in light blue.

Ranking of J8 GARS

We rank J8 GARS against both the 20 and 100 largest CTAs as per the NilssonHedge Report published for June 2020. We selected CTAs for comparison that are closest to the J8 GARS strategy: global, systematic, multi-strategy, trend-following (please see full list below). First, we annualized the reported returns from January 2016 to June 2020. Then we volatility adjusted those returns. We compare these results with our strategy results.

While J8 GARS’s historical returns (dark blue) are among the top third of CTAs, we realised that the current model of J8 GARS (light blue) placed us among the top 10% of CTAs.

| <u>J8 GARS Historical Returns</u> | Rank | J8 in Top % |
|-----------------------------------|------|-------------|
| J8 rank vs 20 largest CTAs | 6 | 30% |
| J8 rank vs 100 largest CTAs | 39 | 39% |
| <u>J8 GARS Current Model</u> | | |
| J8 rank vs 20 largest CTAs | 2 | 10% |
| J8 rank vs 100 largest CTAs | 8 | 8% |

Table 1: Ranking of J8 GARS by risk adjusted returns versus the 20 and 100 largest CTAs as per NilssonHedge Report June 2020.

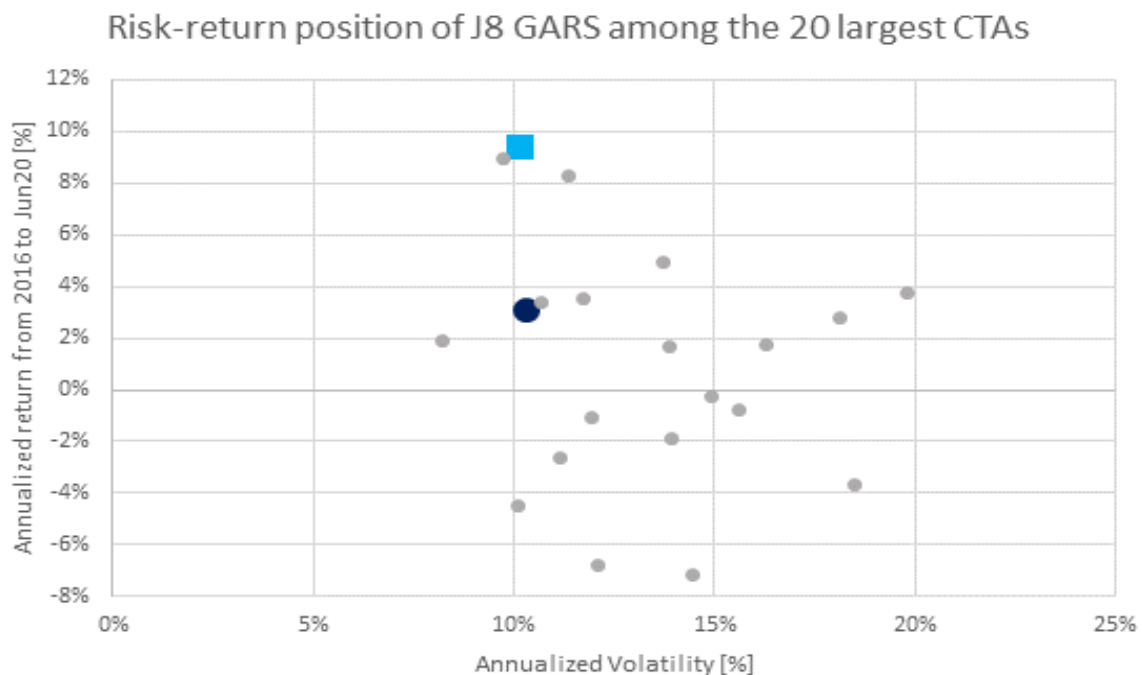


Figure 2: Return versus Volatility of J8 GARS versus the 20 largest CTAs as per NilssonHedge Report June 2020.



J8 GARS in comparison to the 20 largest CTAs

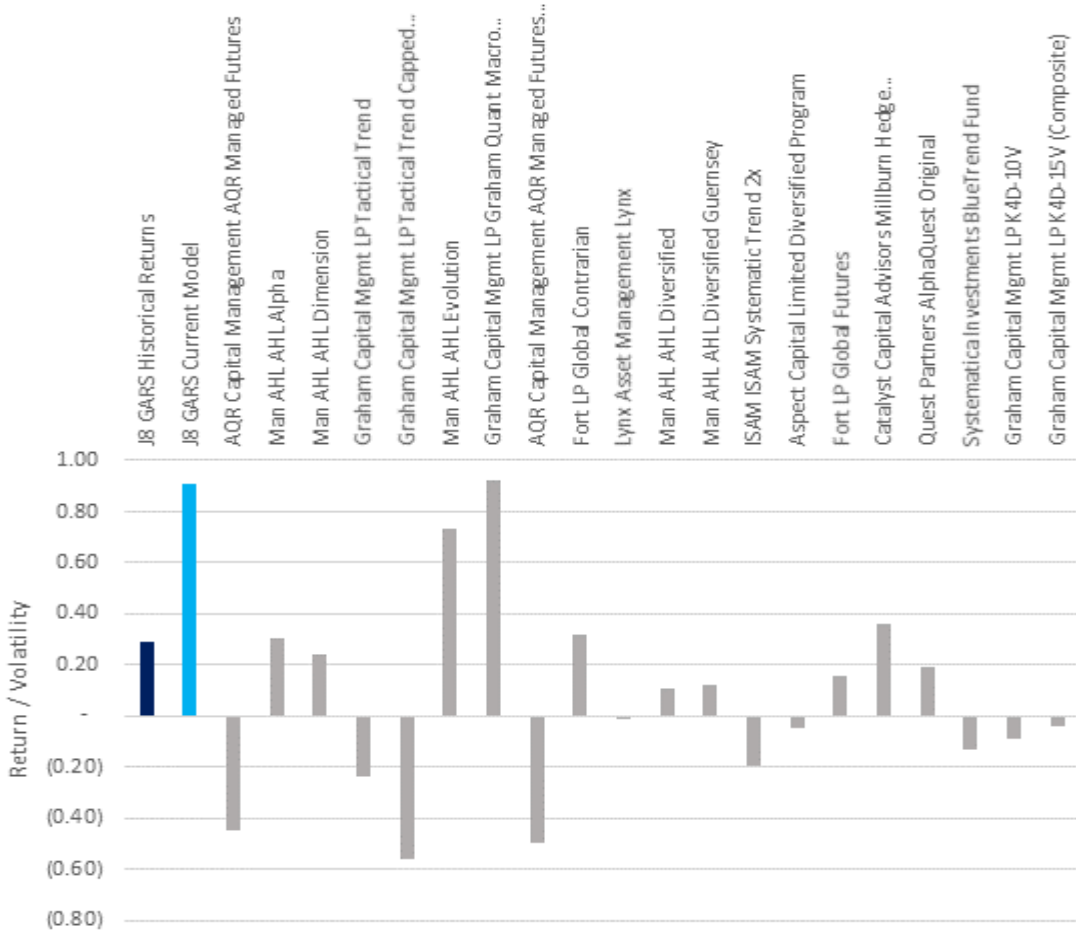


Figure 3: Risk-adjusted returns of J8 GARS versus the 20 largest CTAs as per NilssonHedge Report June 2020.

J8 GARS in comparison to the 100 largest CTAs

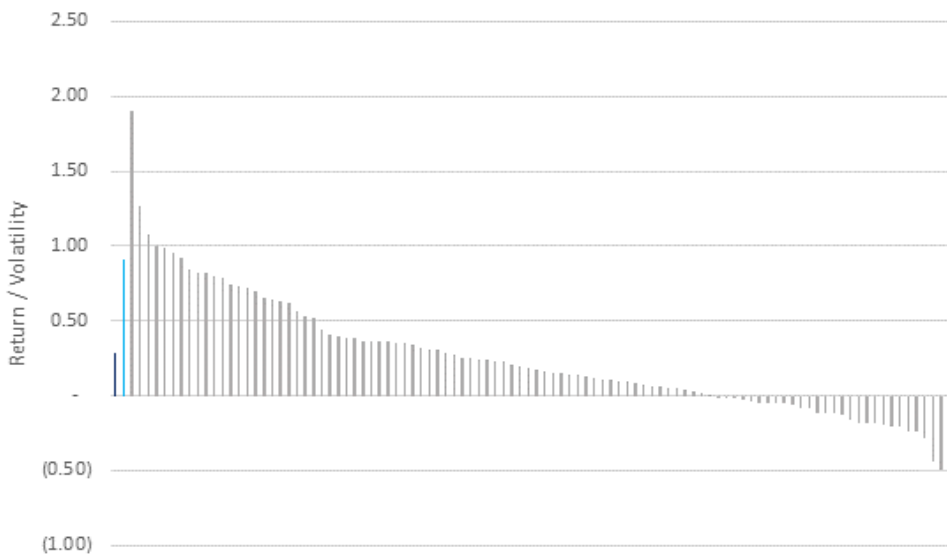


Figure 4: Risk-adjusted returns of J8 GARS versus the 100 largest CTAs as per NilssonHedge Report June 2020.

How J8 compares with the wider liquid alternative industry

We also compare J8 GARS with benchmark indices for CTAs in general (SG CTA Index), trend-followers (SG Trend Index), and short-term traders (SG Short Term Trader Index) and found we display superior performance vs those benchmarks. Further validating the robustness of our strategy, our risk-adjusted returns are higher, our drawdowns are lower, and in 55% to 60% of months our returns were better than the benchmark indices.

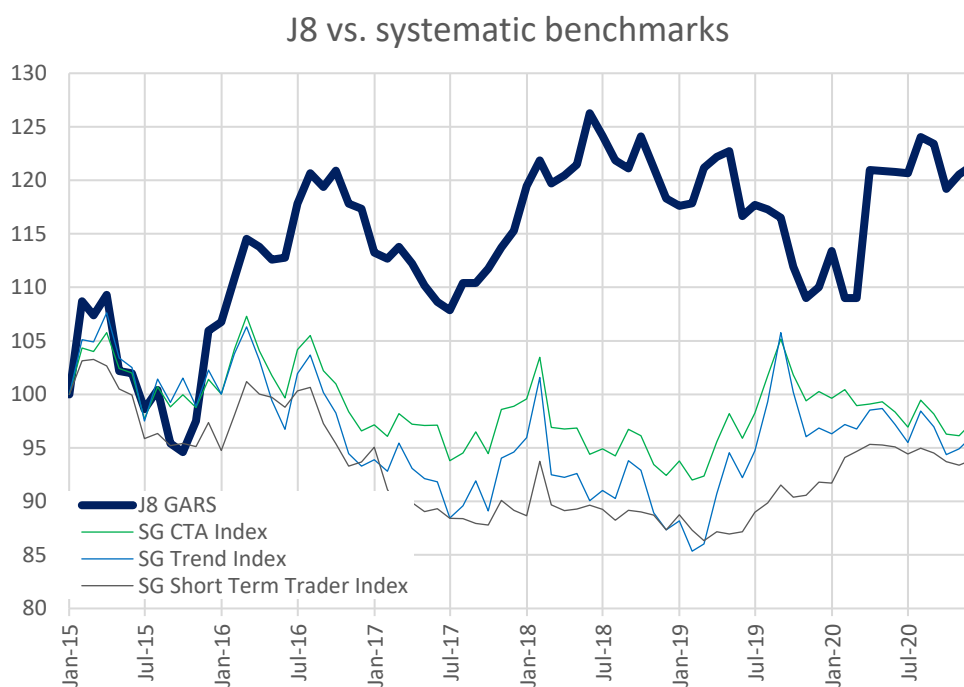


Figure 4: J8 GARS performance in comparison to liquid alternatives benchmark indices.

| | J8 GARS | Systematic benchmarks | | |
|-------------------------------|----------------|-----------------------|----------------|----------------------------|
| | | SG CTA Index | SG Trend Index | SG Short Term Trader Index |
| <i>Since 1st January 2015</i> | | | | |
| Year-to-Date | 7.00% | -2.29% | -0.29% | 2.35% |
| Total Return (since Jan15) | 21.34% | -2.65% | -3.96% | -6.14% |
| Annualized Return | 3.32% | -0.45% | -0.68% | -1.07% |
| Annualized Volatility | 10.25% | 8.09% | 10.82% | 6.01% |
| Return / Volatility | 0.32 | -0.06 | -0.06 | -0.18 |
| Maximum Drawdown | -13.69% | -14.26% | -20.70% | -16.40% |
| Return / Drawdown | 0.24 | -0.03 | -0.03 | -0.06 |
| Positive months [%] | 48.61% | 48.61% | 48.61% | 44.44% |
| Best month | 10.99% | 4.52% | 6.52% | 5.73% |
| Worst month | -6.51% | -6.33% | -8.96% | -4.34% |
| Months where J8 > X [%] | | 55.56% | 58.33% | 55.56% |

Table 2: Performance statistics of J8 GARS in comparison to liquid alternatives benchmark indices.

Below is the list of the largest 20 and 100 CTAs and their respective rank by risk-adjusted returns over the past 4.5 years. The list is sorted by size of the programs.

| <u>Size of program from</u> | <u>Asset Name (sorted by size)</u> | <u>Ann Rtn / Ann Vol</u> | <u>Ranking of J8 vs the 100 largest CTAs</u> | <u>Ranking of J8 vs the 20 largest CTAs</u> |
|-----------------------------|---|--------------------------|--|---|
| large to small | J8 GARS Historical Returns | 0.29 | 39 | 6 |
| | J8 GARS Current Model | 0.91 | 8 | 2 |
| 1 | AQR Capital Management AQR Managed Futures | -0.44 | 100 | 19 |
| 2 | Man AHL AHL Alpha | 0.31 | 37 | 5 |
| 3 | Man AHL AHL Dimension | 0.24 | 45 | 7 |
| 4 | Graham Capital Mgmt LP Tactical Trend | -0.23 | 96 | 18 |
| 5 | Graham Capital Mgmt LP Tactical Trend Capped Equity | -0.56 | 101 | 21 |
| 6 | Man AHL AHL Evolution | 0.73 | 14 | 2 |
| 7 | Graham Capital Mgmt LP Graham Quant Macro Strategy | 0.92 | 7 | 1 |
| 8 | AQR Capital Management AQR Managed Futures HV Strategy | -0.49 | 100 | 20 |
| 9 | Fort LP Global Contrarian | 0.32 | 36 | 4 |
| 10 | Lynx Asset Management Lynx | -0.01 | 74 | 12 |
| 11 | Man AHL AHL Diversified | 0.11 | 60 | 11 |
| 12 | Man AHL AHL Diversified Guernsey | 0.12 | 58 | 10 |
| 13 | ISAM ISAM Systematic Trend 2x | -0.20 | 93 | 17 |
| 14 | Aspect Capital Limited Diversified Program | -0.05 | 79 | 14 |
| 15 | Fort LP Global Futures | 0.16 | 53 | 9 |
| 16 | Catalyst Capital Advisors Millburn Hedge Strategy Fund | 0.36 | 30 | 3 |
| 17 | Quest Partners AlphaQuest Original | 0.19 | 49 | 8 |
| 18 | Systematica Investments BlueTrend Fund | -0.13 | 88 | 16 |
| 19 | Graham Capital Mgmt LP K4D-10V | -0.09 | 84 | 15 |
| 20 | Graham Capital Mgmt LP K4D-15V (Composite) | -0.04 | 77 | 13 |
| 21 | Campbell & Company Managed Futures | 0.01 | 72 | |
| 22 | Dunn Capital Management World Monetary | 0.07 | 65 | |
| 23 | AQR Capital Management Managed Futures UCITS | -0.19 | 92 | |
| 24 | Millburn Ridegfield Corporation Diversified Program | 0.14 | 55 | |
| 25 | Crabel Capital Mgmt Crabel Advanced Trend | -0.00 | 73 | |
| 26 | Aspect Capital Limited Aspect Core Trend Fund | -0.11 | 85 | |
| 27 | Transtrend BV Enhanced Risk | 0.03 | 70 | |
| 28 | Dunn Capital Management World Monetary Institutional | 0.15 | 54 | |
| 29 | Dunn Capital Management DUNN WMA Institutional (ML Capital) UCITS A | 0.09 | 63 | |
| 30 | Dunn Capital Management DUNN WMA Institutional (ML Capital) UCITS B | 0.14 | 56 | |
| 31 | PIMCO Trends Composite | 0.36 | 32 | |
| 32 | Fort LP Global Diversified | 0.17 | 52 | |
| 33 | Man AHL AHL Trend Alternative | 0.38 | 28 | |
| 34 | Capital Fund Management IS Trends Fund | -0.02 | 76 | |
| 35 | GSA Capital Partners GSA Trend Fund | -0.21 | 94 | |
| 36 | Allianz Global Investors AllianzGI Managed Futures Strategy | 0.18 | 51 | |



J8 Capital Management LLP

| | | | |
|----|--|-------|----|
| 37 | Winton Capital Management Winton Futures Fund | -0.18 | 90 |
| 38 | AlphaSimplex Group Managed Futures Composite | 0.05 | 68 |
| 39 | John Street Capital Trident Strategy | 0.82 | 9 |
| 40 | Aspect Capital Limited Aspect Systematic Global Macro | 0.44 | 24 |
| 41 | SEB Group Asset Selection | -0.24 | 97 |
| 42 | Eckhardt Trading Company Evolution Strategy | 0.11 | 59 |
| 43 | Cantab Capital Partners CCP Core Macro | 0.35 | 33 |
| 44 | QMS Capital Management LP Diversified Global Macro | -0.29 | 98 |
| 45 | ROW Asset Management Diversified Program | 0.52 | 23 |
| 46 | P/E Investments Diversified Global Macro Strategy | 0.24 | 44 |
| 47 | Fort LP Global Contrarian UCITS | 0.70 | 16 |
| 48 | Wadhvani Asset Management Keynes Leveraged Quantitative Strategies | 0.35 | 34 |
| 49 | BH-DG Systematic Trading BH-DG Systematic Trading Fund | 0.31 | 38 |
| 50 | Quantica Capital AG Managed Futures Program | 0.82 | 10 |
| 51 | Campbell & Company Absolute Return Portfolio | 0.40 | 25 |
| 52 | Superfund Capital Management Green Gold SICAV | 0.65 | 17 |
| 53 | Superfund Capital Management Green Silver SICAV | 0.26 | 42 |
| 54 | Fort LP Global Trend | 0.36 | 31 |
| 55 | Man AHL AHL Diversity Alternative | 0.39 | 26 |
| 56 | Superfund Capital Management Green SICAV | 0.13 | 57 |
| 57 | Fort LP Global Diversified UCITS | 0.23 | 47 |
| 58 | EMC Capital Advisors Alpha Program | 0.74 | 13 |
| 59 | Episteme Capital Partners Systematic Quest | 0.96 | 6 |
| 60 | EMC Capital Advisors Grant Park Multi Alt. Strategies Fund | 0.62 | 20 |
| 61 | Welton Investment Partners Global Directional Portfolio | 0.34 | 35 |
| 62 | KeyQuant SAS Key Trends 15 Composite | -0.05 | 81 |
| 63 | KeyQuant SAS Key Trends Program | -0.05 | 78 |
| 64 | ROW Asset Management Diversified 2X | 0.28 | 41 |
| 65 | Metori Capital Management Epsilon Global Trend (Lyxor) | 0.56 | 21 |
| 66 | Estlander & Partners Alpha Trend | -0.16 | 89 |
| 67 | Cantab Capital Partners CCP Quant Fund | 0.23 | 46 |
| 68 | Wadhvani Asset Management Keynes Dynamic Beta Strategy | 1.08 | 3 |
| 69 | Goldman Sachs Alternative Trend | 0.18 | 50 |
| 70 | Metori Capital Management Epsilon Managed Futures (Lyxor) | 0.07 | 64 |
| 71 | Lynx Asset Management Lynx 1.5x | 0.02 | 71 |
| 72 | One River Asset Management Systematic Trend | -0.06 | 82 |
| 73 | QCAM Currency Asset Management AG Total Intelligence Vol 10 | 1.91 | 1 |
| 74 | Systematica Investments Systematica Synergy | -0.18 | 91 |
| 75 | Quest Partners AlphaQuest (ML Capital) | -0.08 | 83 |
| 76 | QCAM Currency Asset Management AG Systematic Intelligence | 0.79 | 11 |
| 77 | Tudor Investment Corp Tudor Momentum Fund Ltd. | 0.21 | 48 |
| 78 | Winton Capital Management Winton Futures Fund (Lyxor) | 0.09 | 62 |
| 79 | Eclipse Capital Management Global Monetary Program | 0.10 | 61 |
| 80 | Typhon Capital Management Mercurio Quantitative Program | 1.27 | 2 |

Contact:

sales@j8capital.com

+44 20 7965 6060



| | | | |
|-----|--|-------|----|
| 81 | QCAM Currency Asset Management AG Systematic Intelligence Vol 10 | 0.78 | 12 |
| 82 | QCAM Currency Asset Management AG Systematic Intelligence Vol 20 | 0.84 | 8 |
| 83 | QCAM Currency Asset Management AG Systematic Intelligence Vol 30 | 0.99 | 5 |
| 84 | Transtrend BV Tulip Trend Fund | -0.12 | 87 |
| 85 | Welton Investment Partners Welton Trend Program | 0.29 | 40 |
| 86 | Fulcrum Asset Management Multi Asset Trend Fund | -0.21 | 95 |
| 87 | TradeLink Capital Tradelink Flagship | 0.63 | 19 |
| 88 | Salus Alpha Capital Directional Markets (DMX) | 0.53 | 22 |
| 89 | FTC Capital FTC Futures Fund Classic | -0.02 | 75 |
| 90 | Superfund Capital Management Green Gold 1.5x | 0.38 | 27 |
| 91 | Superfund Capital Management Green Gold 1x | 0.36 | 29 |
| 92 | Drury Capital Diversified Trend-Following Program | 0.06 | 66 |
| 93 | NuWave Investment Management Combined Futures Portfolio | 0.25 | 43 |
| 94 | QMS Capital Management LP Financials-Only Global Macro Strat. | -0.05 | 80 |
| 95 | Chesapeake Capital Corporation Diversified Plus (HV) | -0.11 | 86 |
| 96 | Quest Partners Quest Tracker Index program (QTI) | 0.04 | 69 |
| 97 | QTS Capital Management Chimera | 1.00 | 4 |
| 98 | Metolius Capital Enhanced Fund 2.5X | 0.06 | 67 |
| 99 | Leibniz Group Systematic Intelligence Vol 10 | 0.64 | 18 |
| 100 | Leibniz Group Systematic Intelligence Vol 20 | 0.72 | 15 |

Table 3: Ranking of J8 GARS and 100 largest CTAs by risk-adjusted returns.

Important Notice

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN

GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

THE RISK OF LOSS IN COMMODITY INTEREST TRADING CAN BE SUBSTANTIAL. YOU SHOULD, THEREFORE, CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN COMMODITY INTEREST TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF DIFFERENT STRATEGIES UTILIZED IN COMMODITY INTEREST TRADING AND SIGNIFICANT CONSIDERATIONS SHOULD BE GIVEN TO WHICH STRATEGY IS APPROPRIATE FOR YOUR PARTICULAR FINANCIAL SITUATION. AS WILL ALL TRADING STRATEGIES, PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURES RESULTS. ALL INVESTMENTS IN THE COMMODITY INTEREST MARKET SHOULD BE MADE WITH RISK CAPITAL ONLY PLEASE ENSURE THAT YOU ARE FULLY AWARE AND UNDERSTAND ALL RISKS, FEES, AND OTHER CONCERNS RELATED TO



J8 Capital Management LLP

YOUR INVESTMENT BY REQUESTING THE COMPANY'S COMPLETE DISCLOSURE MATERIALS.

Important Legal information

J8 Capital Management LLP is incorporated under the Limited Liability Partnership Act 2000 as a limited liability partnership with company number OC371396, the partnership is limited and the registered office at 118 Pall Mall, London SW1Y 5ED is in England, United Kingdom, www.j8capital.com. J8 Capital Management LLP is authorised and regulated by the Financial Conduct Authority (FRN 767969). J8 Capital Management LLP is registered with the National Futures Association (NFA ID 0516343).

Acceptance of the terms of this notice

By using this material, you confirm that you accept the terms of this Notice and agree to comply with them.

This material has been prepared by J8 Capital Management LLP, or an affiliate thereof ('J8'). This material is confidential. No part of it may be reproduced, distributed or transmitted without written permission. The information within this material is issued by J8 Capital Management LLP to investors who are Professional Clients or Eligible Counterparties or Retail Clients under the Rules of the United Kingdom Financial Conduct Authority ("FCA") or Qualified Eligible Persons (US) or any other jurisdiction as applicable. This material does not constitute a financial offer or promotion and is for information purposes only.

Intended audience

This material is intended as a general introduction to J8 and its products. It does not provide specific investment advice, in particular it does not provide advice to retail clients nor does it represent that the services described are suitable for any specific investor. Moreover, the information contained in this material does not provide a basis for making a fully informed investment decision. Interested persons who contemplate opening a managed account should request a copy of the J8 disclosure document. Those considering an investment in a fund managed or advised by J8 should request a copy of that fund's offering documents. Past performance is not necessarily indicative of future results.

The information contained in this material does not constitute a distribution, an offer to sell or the solicitation of an offer to buy any securities or products in any jurisdiction in which such an offer or invitation is not authorised and/or would be contrary to local law or

regulation. The contents of this material are not intended for distribution to, or use by, any individual or entity in any jurisdiction where their distribution or use would be contrary to local law or regulation or which would subject J8 Capital Management LLP to registration with the jurisdiction. This material does not constitute a financial offer or promotion and is for information purposes only and does not constitute investment, legal, tax or other advice. Any offering is made only pursuant to the relevant offering document and the relevant subscription application, all of which must be read in their entirety. No offer to purchase securities will be made or accepted prior to receipt by the offeree of these documents and the completion of all appropriate documentation.

Backtesting

This material contains data derived as a result of backtesting of data and is provided in good faith using our standard methodology for information of this kind. The methodology relies on proprietary models, empirical data, assumptions and such other information that we believe to be accurate and reasonable. We make, however, no representation as to the accuracy, completeness or appropriateness of such methodology and accept no liability for your use of the information. Specifically, there is no assurance that other investment managers and advisors or brokers or banks would derive the same results for the backtest period. No reliance may be placed upon the information or opinions contained in this document. No representation or warranty, express or implied, is given by or on behalf of J8 Capital Management LLP or any of its members as to the accuracy, completeness or fairness of the information or opinions contained herein and, to the fullest extent permitted by law, no responsibility or liability is accepted for any such information or opinions. The information included within this material does not disclose all of the risks and other significant aspects of entering into any particular transaction; any investment decision should be made solely upon the information contained in the final offering documents relating to the relevant transaction.

The SG CTA Index is not representative of the entire population of CTAs or any particular CTA, it may not have been adjusted for fees/commissions, it cannot be traded by individual investors, and actual rates of return experienced by investors may be significantly different and more volatile than those of the index

Risk warnings

Potential investors should note that investments can involve significant risks and the value of an investment may go down as well as up. No assurance can be given

Contact:

sales@j8capital.com

+44 20 7965 6060



that the investment objective of any product will be achieved or that substantial losses will not be suffered. There is no guarantee of trading performance and past or projected performance is not a guide to future results. Potential investors should read the terms and conditions contained in the relevant investment product information carefully before any investment decision is made.

All trading carries risk. It is important that you understand that with investments your capital is at risk. **Past performance is not necessarily indicative of future results.**

J8 Capital Management LLP offers a discretionary management service to professional clients. Both complex and non-complex investments may be selected as investments in the discretionary service once the investment mandate has been agreed. Complex investments are subject to varying degree of risk as and may be defined as follows:

- The investment is a derivative or embeds a derivative
- There are infrequent opportunities to withdraw
- Prices are not publicly available or independently validated
- You may lose more than you invest
- There is a clause which changes the risk and return profile
- Exit charges may prevent early redemption or make the investment illiquid
- Complex product literature not intended for retail sale such as hedge funds

Other investments risk warning:

Investment in the futures, forwards, derivatives and over-the-counter ("OTC") markets involves significant risk of loss, including the possibility of loss greater than your initial investment. These types of investments may not be suitable for all investors. You should only invest with money that you can afford to lose. You should ensure that you understand all the risks involved and seek independent financial advice if necessary.

Changes to information

Information contained on this material, including pricing, valuation, and commentary on specific futures, forward or OTC markets, if any, reflects J8 Capital Management LLP's analysis and other information available as at, either the time such information was posted in the material or as otherwise at the date indicated. While any opinions, commentaries, data, pricing and all other information contained on this material are believed to be reliable, J8 Capital Management LLP cannot and does not guarantee its accuracy, timeliness or completeness, nor is J8 Capital Management LLP under any obligation to update such information.

Limitation of liability

Neither J8 Capital Management LLP nor any of its directors, officers or employees, nor any third party vendor will be liable or responsible for any loss or damage that you may incur from any cause relating to your access to, inability to access, or use of the material or these materials, whether or not the circumstances giving rise to such cause may have been within the control of J8 Capital Management LLP or of any vendor providing software or services support. In no event will J8 Capital Management LLP or any third party vendor be liable to you for any direct, special, indirect, consequential, incidental damages or any other damages of any kind even if J8 Capital Management LLP or any other party had been advised of the possibility that these damages might occur.

Telephone calls to and from J8 Capital Management LLP may be recorded.

Any questions about the contents of this material should be directed to:

info@j8capital.com

J8 Capital Management LLP
Registered in England and Wales No. OC371396
Registered Office: 118 Pall Mall, London SW1Y 5ED,
United Kingdom